

Licensing Committee

13 April 2016

Is the final decision on the recommendations in this report to be made at this meeting?

No

Licensing Partnership Expansion

Final Decision-Maker	Delegated Portfolio Holder Decision
Portfolio Holder(s)	Councillor Dr Ronen Basu, Portfolio Holder for Sustainability
Lead Director	Jonathan MacDonald, Director of Planning and Development
Head of Service	Gary Stevenson, Head of Environment and Street Scene
Lead Officer/Report Author	Claire Perry, Licensing Partnership Manager
Classification	Non-exempt
Wards affected	All

This report makes the following recommendation to the final decision maker:

1. To recommend to the Portfolio Holder for Sustainability approval for the London Borough of Bexley's Licensing Team functions to join the Licensing Partnership as a fourth and equal partner.

This report relates to the following Five Year Plan Key Objectives:

- A Prosperous Borough.

It is proposed to provide savings to the cost of the Licensing Partnership.

Timetable

Meeting	Date
Licensing Committee	13 April 2016
Notice to be issued of a Delegated Portfolio Holder Decision	20 April 2016

Licensing Partnership Expansion

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This reports sets out a proposal for the London Borough of Bexley to join the Licensing Partnership as a fourth and equal partner and seeks the views of the Committee to inform the subsequent decision by the Portfolio Holder for Sustainability to expand the Partnership.
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2. INTRODUCTION AND BACKGROUND

- 2.1 The Licensing Partnership is now in its seventh year of running successfully the management of three Licensing Teams, carrying out the administration of all processes and issuing of licences, permits and notices for Maidstone Borough Council, Sevenoaks District Council and Tunbridge Wells Borough Council.
- 2.2 One of the Partnership's service plan objectives since 2013/14 has been to reduce the overall operating costs by expanding the Partnership through introducing another partner into the group in order to share costs and reduce each local authority's contributions to the operation.
- 2.3 Towards the end of 2015 Officers from the London Borough of Bexley approached the Chief Officer Environmental & Operational Services for Sevenoaks District Council and Licensing Partnership Manager to hold an exploratory meeting regarding the future of Bexley's Licensing functions, which exclude taxis and private hire as these are licensed by Transport for London.
- 2.4 The London Borough of Bexley is undertaking a procurement exercise of its regulatory and associated services as part of the Bexley Council's Strategic Commissioning agenda. As part of this exercise, officers at Bexley were asked to explore the Licensing Partnership as an alternative to totally outsourcing the Council's Licensing Service.
- 2.5 Following meetings to explore the extent of the services currently undertaken by the London Borough of Bexley and their team structure a proposal was submitted to the London Borough of Bexley, attached as Appendix A.

3. THE PROPOSAL

- 3.1 The current structure of the Licensing Partnership would continue in that the Licensing Partnership Manager would manage the four teams of Licensing Officers employed by and based at the respective partner authorities and the single Administration Team which is based at the Sevenoaks offices.
- 3.2 The staff within the Administration Team will process applications, permits and notices on behalf of all the Licensing Authorities. The posts of the

Administration Team, the Licensing Partnership Manager and half of the post of the Senior Licensing Officer and Administration Team Leader are directly employed by Sevenoaks District Council with the costs recovered through each individual council's contributions to the running costs of the Licensing Partnership.

- 3.3 The Licensing Officers at each authority are responsible for their own policies, interaction regarding compliance with the legislation, compliance and enforcement, validation of new and variation applications for premises licences, hearings and direct reports.
- 3.4 The Licensing Partnership Manager has responsibility for the direct reports, management of the Licensing Partnership as a whole, budget setting, performance indicator setting and monitoring, co-ordination of Licensing Policies, FOI request responses, reporting to the Licensing Partnership Board and the individual Licensing Committees, service planning, liaison with Finance, HR, IT, Legal, Democratic Services and process engineering.
- 3.5 Each authority's data is held on a central database which is administered and maintained by the IT staff at Sevenoaks District Council. Officers at the partners' offices access the database via a portal and have access to their records and all the documentation for applications. All documentation is scanned in to a document management system (IDOX) on receipt in the post and is therefore available to all officers.
- 3.6 The Licensing Partnership has been through a Digital First programme that has seen significant increases in online applications and streamlining of processes. We expect the existing Hub resources to be able to cope with the additional workload created by an extra partner, but an additional 1x fte admin support will be provided to assist the London Borough of Bexley with administrative support and the transfer of documentation onto the Licensing Partnership's central database and document management system. It is proposed to ring fence the three administrative officer posts at Bexley and interview them with a view to TUPE transfer of the successful applicant.
- 3.7 The London Borough of Bexley will retain the equivalent of two Licensing Officers to carry out the licensing functions with customers such as complaint investigation, visiting premises, hearing report preparation, mediation with applicants, policy preparation etc.
- 3.8 The existing performance indicators will remain as agreed, as it is recognised that the work involved in welcoming a new partner will be significant. The key focus for the whole team will be to maintain the existing excellent performance, carefully monitor and manage the performance to ensure that it continues to provide first class service to the customer.
- 3.9 The Licensing Partnership team is an experienced team that has the capacity, knowledge and skills to re-engineer London Borough of Bexley procedures in to the Partnership's processes whilst keeping the customer at the focus of what they achieve.

- 3.10 At the heart of the Partnership is a financial model that is used to calculate individual partner's annual contributions based on the weighted throughput of licence transactions, averaged over a three year period.
- 3.11 The model used to calculate each existing partner's contribution to the cost of the Licensing Partnership was employed to calculate the cost for the London Borough of Bexley to join.
- 3.12 Using the data supplied by the London Borough of Bexley it is calculated that Bexley's work will amount to 17.3% of the expanded Licensing Partnership work. This equates to a cost to the London Borough of Bexley of £75,221 per annum.
- 3.13 There are some one off costs to cover IT set up and importing the address gazetteer. These are yet to be finalised but are thought to be just under £5,000 and will be borne by the London Borough of Bexley.
- 3.14 As a result of the London Borough of Bexley joining the Licensing Partnership each of the existing partners are calculated to save at least £15,000 each per annum in their contributions to the Licensing Partnership.
- 3.15 In addition to the savings to the Licensing Partnership it is anticipated that a new partner will increase the resilience of the Licensing Partnership by introducing new skills and areas of expertise. It is still a desire of the Licensing Partnership to authorise officers to work across authority areas and once this is achieved officers will be able to be deployed more effectively.
- 3.16 The option of a transfer of Bexley's Licensing Service to a shared service arrangement with other local authorities is expressly recognised by Regulation 12 of the Public Contracts Regulations 2015. There is no requirement for a procurement exercise before entering into such an arrangement. Should such an arrangement proceed, the existing legal agreement will be re-written to recognise the addition of a fourth partner to formalise the arrangements.
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4. AVAILABLE OPTIONS

- 4.1 To recommend that the Portfolio Holder for Sustainability Dr Ronen Basu approves the inclusion of a fourth Licensing Authority into the Licensing Partnership.
- 4.2 To recommend no changes to the existing Licensing Partnership.
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5. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 5.1 To recommend to the Portfolio Holder for Sustainability approval for the London Borough of Bexley's Licensing Team functions to join the Licensing Partnership

as a fourth and equal partner. This would ensure further savings are realised for the running of Licensing Service and additional resilience is achieved.

6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 6.1 A report is submitted to the Portfolio Holder for Sustainability to consider a Delegated Portfolio Holder Decision to approve the enlargement of the Licensing Partnership to include the London Borough of Bexley.

It will be subject to a decision to expand the Licensing Partnership being taken by the three Councils.

- 6.2 Officers from the Licensing Partnership would begin the process of communicating with affected customers at the London Borough of Bexley.
- 6.3 Officers from the Licensing Partnership would start on preparations to integrate a fourth new partner, which would include the re-writing of the existing Collaboration Agreement to reflect the introduction of a fourth partner, with all other terms to remain the same.

7. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off (name of officer and date)
Legal including Human Rights Act	<p>Advice has been provided to confirm that a decision to expand the Licensing partnership can be made by the Portfolio Holder for Sustainability.</p> <p>There will be no increase in requirements for legal services as each authority will deal with their own legal requirements.</p>	<p>Keith Trowell, Senior Lawyer (Corporate Governance)</p> <p>Jayne Bolas Solicitor Team Leader (Contentious)</p> <p>1 April 2016</p>
Finance and other resources	<p>Expanding the Partnership will reduce the Council's share of the Partnership's running costs from 30.40% to 25.23%, a full year saving of £14,500.</p> <p>No procurement is planned as part of the proposal to expand the Partnership. Issue highlighted within the report</p>	<p>Jane Fineman, Head of Finance and Procurement</p> <p>1 April 2016</p>

Staffing establishment	The proposal does not have any staffing impacts for TWBC staff.	Nicky Carter, Head of HR 1 April 2016
Risk Management	<p>During the integration of a fourth partner there could be an impact on the delivery of the service for the existing partners.</p> <p>There is also a risk that the enlarged partnership does not achieve the desired outcomes such as savings or creates an unmanageable workload.</p> <p>The Administration and IT teams have experience of integrating a new authority in to the partnership and a temporary admin resource will be provided during the first year of transition.</p> <p>The Partnership would be growing from a firm a base with well established procedures and technology being utilised to take on the work of the new partner.</p> <p>Monitoring of workloads and processing timescales is in place and would provide an early warning of the need for any corrective action.</p>	Gary Stevenson Head of Environment and Street Scene 1 April 2016
Environment and sustainability	No implications have been identified.	Gary Stevenson Head of Environment and Street Scene 1 April 2016
Community safety	No implications have been identified	Gary Stevenson Head of Environment and Street Scene 1 April 2016
Health and safety	No implications have been identified	Gary Stevenson Head of Environment and Street Scene 1 April 2016

Health and wellbeing	No implications have been identified	Gary Stevenson Head of Environment and Street Scene 1 April 2016
Equalities	The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.	Sarah Lavallie, West Kent Equalities Officer 4 April 2016

8. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

Appendix A: Proposal for Licensing Partnership Working with London Borough of Bexley Version 3 – March 2016

9. BACKGROUND PAPERS

None